

ATTACHMENT G

FINANCIAL PROPOSAL THIRD PARTY ADMINISTRATIVE SERVICES FOR FLEXIBLE SPENDING ACCOUNTS - HEALTH CARE AND DEPENDENT CARE

INSTRUCTIONS FOR COMPLETING DETAIL OF PRICE QUOTATIONS:

General Instructions

Complete each of the attached price detail sheets.

Fees must be guaranteed for the entire initial term of the contract, covering calendar plan years 1999 (partial year), 2000, 2001 and 2002. Fees for the two one-year options must be guaranteed for both option years, regardless of whether the State exercises both options. Rates or costs must be provided on the basis indicated for each item.

Specific Instructions

I. Start-Up Costs

Indicate your initial start-up fees. These should include any one-time fees or costs to make your system operable with the State's flexible spending account benefit plan. Costs for proposed employee announcement materials during calendar year 1999 should be included. Provide details of the services and costs covered by this fee. Your fee should be shown as either a rate per employee or a flat, all-inclusive fee.

II. Total Monthly Administration

Provide an all-inclusive monthly rate per enrollee account for administering this plan. The enrollee account rate should apply separately for medical spending accounts and dependent care spending accounts. For example, an enrollee with both types of flexible spending accounts would have charges for two enrollee accounts.

The monthly administration rate should include all ongoing services necessary to maintain the account, including, but not limited to system costs, operation costs, participant account statements, development and mailing of all regular communications with employees and enrollees.

III. Optional Services

Provide costs for each of the services indicated.

ATTACHMENT G
Detail of Price Quotations

Rates for Initial Term of Contract: Covering Plan Years 1999 (partial), 2000, 2001, 2002

Administration of Flexible Spending Accounts (Health Care and Dependent Care)		
Service	Fee Quotation	Total
I. Start-Up Costs: (One-time Non-Recurring Charge)	(Indicate Cost Basis) \$_____ per employee x 6,400* = _____ or _____ or _____ \$_____ flat amount = _____	
II. Total Monthly Administration:	\$_____ per enrollee/per month x 6,400 x 12 months = _____	
III. Optional Services:		
A. Annual Reporting (Form 5500)	\$_____ per year = _____	
B. Non-Discrimination Testing	\$_____ per year = _____	
C. Legal Documents (SPDs, Plan Documents)	\$_____ = _____	
D. Other (Specify)	\$_____ = _____	
Subtotal III		
IV. Total I thru III		

* Enrollees estimated based on current number of enrollees in both the Health and Dependent Care spending accounts. This chart is for award purposes only and actual payments under the contract will be based on the indicated unit or flat fees which shall be firm for the base contract term. Enrollment numbers may vary from year to year.

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Detail of Price Quotations

Rates for One-Year Contract Option Periods: Covering Plan Years 2003 and 2004

Administration of Flexible Spending Accounts (Health Care and Dependent Care)	
Service	Fee Quotation
I. Total Monthly Administration:	\$_____ per enrollee/per month
II. Optional Services:	
A. Annual Reporting (Form 5500)	\$_____ per year
B. Non-Discrimination Testing	\$_____ per year
C. Legal Documents (SPDs, Plan Documents)	\$_____
D. Other (Specify)	\$_____